# SALE TAX PROBLEM

Congress Leaders Approve Proposed Amendment to Revenue Bill.

FIGHT RATE INCREASE

Calder, Edge and Brandegee Lead Movement to Fix 32 P. C. as Maximum.

COMPROMISE IS FAVORED

Agricultural Bloc Determined to Force Increase to 50 Per Cent.

cial Despatch to THE NEW YORK HERALD New York Herald Bureau, Washington, D. C., Oct. 7.

With the possible exception of the proposed increased surtax rate on ments to the tax revision bill which have been accepted by the Republican ders in conference with the agriapproval in the Senate and House. Senator Penrose (Pa.), chairman of the Finance Committee, postponed calling a meeting of the committee, however, to give further time for consideration of the new plan.

A group of Eastern Senators, includng McLean and Brandegee (Conn.), Edge (N. J.) and Calder (N. Y.), started ment against the proposed increase of the maximum surtax rate ate Agricultural bloc to-morrow. from the 32 per cent. of the Senate 65 per cent. in the existing law.

maximum rate and force a reduction in conference.

Details of the proposed amendments agreed upon yesterday by Republican leaders of the Senate and the agricultural group led by Senators McCormick (Mis.) were made public to-day. Senate McCormick had luncheon with President Harding at the White House and discussed the amendments. The President was glad an agreement had been reached on many of the points at issue and expressed the hope that the Republicans of the Senate and House would soon get together on a maximum surtax on incomes.

Present indications are that the 50 per cent. The house does not be a finished by the Senate agricultural bloc as a rider to the intiroad bill unless some such proviso the railroad bill unless some such proviso would soon get together on a maximum surtax on incomes.

Present indications are that the 50 per cent. The same sort of an alliance which the bloc has used to gain many of its demands concerning tax revision may be effected again. Most of the Democratic many he concernies and the agricultural bloc as a rider to the intiroad bill unless some such proviso to the railroad bill unless some such proviso would soon get together on a maximum surtax on incomes.

Present indications are that the 50 per cent. Such a resolution may be supported by the Senate and the agricultural bloc as a rider to the intiroad bill. It was also reported that the bloc might attend to the interstate Commerce Commission to cut in the four ing the Interstate Commerce Commission to cut in the four ing the Interstate Commerce Commission to the Interstate Commerce Commission to cut in the four ing the Interstate Commerce Commission to the Interstate Commerce Commission to cut inters on agricultural bloc as a rider to cut inters on agricultural bloc as a rider to cut interstate Commerce Commission to cut interstate Commerce Ing the Interstate Commerce Ing the Interstate Commerce Ing the Interstate

would soon get together on a maximum surtax on incomes.

Present indications are that the 50 per cent. rate insisted upon by the Leen root-McCormick-Capper group will be adopted by the Senate, but that it will have hard sledding when the bill gets back to the House. A compromise between 32 per cent. and 59 per cent. on large incomes may be the outcome.

It has been estimated that the proposed amendments will give a net increase of \$5,000,000 in annual revenues above the Senate bill as it now stands, the proposed reductions would cause a loss of about \$15,000,000 and the proposed increases would bring in about \$200,000. The losses would include \$185,000,000. The losses would include \$185,000,000. The losses would include \$185,000,000 from repeal of the tax on passenger, freight and express transportation and \$37,000,000 from repeal of the tax on passenger, freight and express transportation and \$37,000,000 from repeal of the sex on the same on chewing gum. electric fans, thermos bottles, smokers' articles, toilet soop and soap powders, sporting goods and hunting and shooting garments.

Surtax Rates Compared.

The proposed surtax rates on incomes, as compared with the rates in the present law, are shown in the following

The proposed surtax rates on incomes, as compared with the rates in the present law, are shown in the following

	Pro- posed P. C.	B
Income. \$5,000 to \$6,000		
36,000 to \$8,000		
\$8,000 to \$10,000		
\$10,000 to \$12,000		
\$12,000 to \$14,000		
\$14,000 to \$18,000		
\$16,000 to \$18,000		
\$18,000 to \$20,000	6	
\$20,000 to \$22,000		
\$22,000 to \$24,000		
\$24,000 to \$26,000		
\$28,000 to \$28,000		
£28,000 to \$30,000		
\$30,000 to \$32,000		
\$34,000 to \$36,000		
\$38,000 to \$38,000		
\$38,000 to \$40,000		
\$40,000 to \$42,000		
\$42,000 to \$44,000		
\$44,000 to \$46,000	20	E)
\$46,000 to \$48,000		
\$48,000 to \$50,000	22	
\$50,000 to \$52,000		
\$52,000 to \$54,000	24	
\$54,000 to \$56,000		
\$35,000 to \$58,000		
\$58,000 to \$60,000		
\$62,000 to \$64,000		
\$64,000 to \$66,000		
\$60,000 to \$68,000		
\$68,000 to \$70,000		
\$70,000 to \$72,000	33	
\$72,000 to \$74,000		
\$74,000 to \$76,000		
\$78,000 to \$78,000		
\$78,000 to \$80,000		
\$50,000 to \$82,000		
\$82,000 to \$84,000		
\$84,000 to \$86,000		
\$80,000 to \$88,000		
\$90,000 to \$92,000		
402,000 to \$94,000		
\$94,000 to \$96,000		
\$96,000 to \$98,000	46	
\$18,000 to \$100,000	47	
\$100,000 to \$150,000	48	
\$150,000 to \$200,000		
\$200,000 to \$300,000		
\$300,000 to \$500,000		
\$300,000 to \$1,000,000	50	
\$1 000,000 and over		

A flat rate of 15 per cent, on corpora-tion incomes has been agreed upon in-tend of a graduated tax as first pro-soned by the agricultural blac.

The present tax on distilled spirits withdrawn from bond is \$2.20 a gallon, which it is proposed to increase to \$4 in ecordance with Senator Calder's mandment.

FAITH WILLARD HAS A CHANCE

## SURTAX ON INCOMES; N. Y. MANUFACTURES SHOW BIG INCREASE IN FIVE YEARS

Value of Products in 1919 Was \$8,874,638,000, as Against \$3,814,661,000 in 1914-Wage Total Is 117 Per Cent. More—Capital Up 81 Per Cent.

Special Despatch to THE NEW YORK Herald Bureau.

New York Herald Bureau.

Washington, D. C., Oct. 7.

Washington, D. C., State in

A big increase in the manufacturing business of New York State in the year 1919, as compared with 1914, is disclosed in a preliminary statement of the general results of the 1920 census of manufacturers issued by the Census Bureau to-day. The reports were taken for the calendar year ended December 31, 1919, or the business year of the establishment most nearly conforming to that calendar year. conforming to that calendar year. Here is the summary of the results:

CONTRACTOR OF THE PARTY OF THE PARTY.			of Inc
	1919.	1914	1914-19
Number of establishments	49,367	48.203	
	1,527,081	1,289,098	. 1
	49,895	48,636	
	-247,761	182,605	-3
Wage earners (average number)	1,229,815	1,057,857	1
Primary horse power	2,639,001	2,356,655	1
		\$3,334,278,000	8
Services	1,885,898,000	873,771,000	- 11
Salaries	514.268,000	242,729,000	11
Wages	1,371,630,000	631,042,000	11
Materials	4,947,845,000	2,108,607,000	13
Value of products	5,874,638,000	3,814,661,000	13
Value added by manufacture (value of			
products less cost of material)	3,926,973,000	1,706,054,000	13
	Primary horse power Capital Services Sainries Wages Materials Value of products Value added by manufacture (value of	Number of establishments         49.367           Persons engaged in manufactures         1,527.081           Proprietors and firm members         49,505           Salaried employees         247.761           Wage earners (average number)         1,229.815           Primary horse power         2,639.001           Capital         36,023,528,000           Services         1,858,89,000           Sainries         514,268,000           Wages         1,371,630,000           Materials         4,947,845,000           Value of products         5,874,638,000	Number of establishments         49,357         48,203           Persons engaged in manufactures         1,527,081         1,289,098           Proprietors and firm members         49,505         48,536           Salaried employees         247,761         182,605           Wage earners (average number)         1,229,815         1,067,857           Primary horse power         2,639,001         2,356,655           Capital         36,033,828,000         33,334,278,000           Services         1,885,898,000         873,771,000           Saiaries         514,268,000         242,729,000           Wages         1,371,630,000         631,042,000           Materials         4,947,845,000         2,108,607,000           Value of products         5,874,638,900         3,814,661,000           Value added by manufacture (value of         61

### FARM BLOC DRIVES FOR RAIL RATE CUT

Small Group Will Launch Attack To-day-May Centre on Funding Bill.

Special Despatch to THE NEW YORK HIMALD. New York Herald Barean. Washington, D. C., Oct. 7. to force a reduction of railroad rates will be launched by the Sen-

oill to 50 per cent. The House aiready will be closely related to consideration has voted for the 32 per cent. rate, of the railroad funding bill which Presiwhich is a reduction from the rate of dent Harding wants the Scuate to pass as soon as the peace treatles and the tax bill are out of the way.

Members of the bloc, it was said to-Republican Leader Mondell (Wyo.) of the House and Chairman Fordney (Mich.) of the House Ways and Means Committee insisted that if the Senate made the rate 50 per cent, the House would stand pat on 32 per cent, as the maximum rate and force a reduction in the proposition was furnished to-day by a fesolution introduced in the House by maximum rate and force a reduction in the Interstate Commerce Commissions.

PORTUGUESE FOREIGN MINISTER AT PARLEY

Barretto Coming to Conference on Arme Limitation.

Lisson, Oct. 7.—Foreign Minister Meldo Barretto will represent Portugal at the conference on limitation of armament and Far Bastern questions in Washington, it was announced here today.

The United States Government recently invited Portugal to send representatives to participate in discussions on Far Eastern questions at the conference.

LITHUANIA IN WORLD COURT.

GENEVA, Oct. 7.—Lithuania has signed the protocol of the Permanent International Court of Justice created by the League of Nations, it was announced here to-day, making thirty countries in all which have ratified the court. Lithuania was admitted to the league this week.

### HARDING ECONOMY PLAN HITS DEFICIT

SEES GLOOM FOR U.S. IF ALLIED DEBT STANDS London Paper Urges Cancellation in Self-Interest.

By the Associated Press.

Longon, Oct. 7.—"Why America Must Forgive Her Debtors" is the subject of an editorial in to-day's issue of the Outlook, which contends that world trade cannot revive until the interrelated international debts "Which are pressing all countries" are wiped out.

The Outlook advances this formula for submission to America as the British viewpoint: "We do not ask you gentlemen to cancel that billion-odd we owe you out of generosity or idealism, out of recognition that we did more fighting than you did, or breause we lent most of the money involved to other nations, who cannot pay it back to us. In fact, we do no task you to cancel the debt at all. We merely state our opinion that you will cancel it, not merely out of generosity or out of idealism but out of sheer self-interest. The only question is, When will you do so? You must cancel it, for until you do your industries will be crippled, your trade will be at a standstill and your people will be out out work.

"We make no supractions hevand as a standstill and your people will be."

will have to do before long in any event the better it will be for you and four us."

NO GENERAL TIEUP. UNION HEAD PROMISES

Strike Won't Cripple Rail-roads, Says L. E. Sheppard.

Special Despatch to Title New York Herald. CHICAGO, Oct. 7.—The first definite as-surance that a general tieup of the country's transportation facilities is not

### It Is A Great Relief

Grade 'A' Milk.

and satisfaction to you as a mother, to know that your children are getting absolutely the best and purest in milk. You enjoy that perfect assurance when the milk you use is Borden's

Farm Products Co,Inc.

Cortlandt 7961

### LOWER WAGES SEEN | CAPTAIN LOSES SHIP; | CABINET PLANS AID BY MANUFACTURERS VIOLATED TRADITION FOR AMERICAN SHIPS

Continued from First Page.

Lightship with a lantern, but received

ong and equipped with a 22 horse

power engine, began to drift to sea. About 2 A. M. Wednesday a passenger

they had lashed together and thrown

overboard separated. One sank and the

other dragged along.

vessels" Mr. Tuveri said.

look around for another."

CAT ROUSES FAMILY

AS FIRE PERILS HOME Leaps Against Door When He Discovers Flames.

KIRSCHBAUM CLOTHES . FALL AND WINTER 1921

Specially Priced!

Men's Fall Suits

\$37 50

All models—all sizes

Rarely are such fine suits ever offered so early

in the season at the pronounced savings now

Keen judges of men's clothing values will readily

appreciate the true merit of this timely event.

Kirschbaum Topcoats

\$30 to \$45

Worsteds

available.

Unfinished Worsteds

Herringbones Cheviots

Pencil Stripes

Their boat, the Virginia J., 26 feet

Unemployment Committee Favors Freight Reduction to Aid Commerce.

HELP TO THE RAILROADS

Changing Adamson 8 Hour Law to Facilitate Cheapening Labor Cost.

WASHINGTON, Oct. 7 .- Practical com pletion of a majority report on permamittee of the national conference on Unemployment. Whether a minority re- away. Two of us who had removed our port will be submitted to the full con- shirts waved them, but we could get ference when it reassembles Tuesday

ment the majority of the committee was understood to hold the view that read- boats disappeared and we started to justment of wages and prices downward was a necessary precedent to a com-mercial readjustment from which a re-vival of the nation's industry could the Lackawanna Valley, which was revival of the nation's industry could spring. In connection with the readjust-

spring. In connection with the readjustment process the report was understood to favor lower freight rates to permit of a greater flow of commerce.

Passage of the rallway funding bill for the financial relief of the carriers, now pending in Congress, was understood to be regarded by the report as a limination of the lightship. rofits taxes, \$640,458,683; miscellane- for the financial relief of the carriers, ous internal revenue, including war and now pending in Congress, was understood to be regarded by the report as the lightship.

the lightship.

"Half an hour later the Nantucket, "Half an hour later the Philadelphia,"

luxury levies, \$398,445,429; other miscellaneous revenue, \$76,613,264; Panama Canal tolls, \$3,283,970.

The Government also received cash from the following sources:

Treasury notes, \$399,706,100; sale of certificates of indebtedness, \$1,162,805,500; war savings securities, \$3,883,003; postal savings bonds, \$56,780 and deposits for retirement of national bank notes and Federal Reserve Bank notes, \$31,418,290.

Under the public debt service the Government paid out \$1,638,638,728 to redeem bonds, interest bearing notes and Treasury certificates, and \$28,183,690 for retirement of bank notes. Interest her improviding ample revenues for the Federal Government.

Lack of unanimity upon various for the quarter.

Lack of unanimity upon various features of the report was indicated by committee members, who, however, declined to discuss the report until it was made public at the full conference.

The resignation of W. H. Stackhouse of Springfield Ohlo, as chairman of the committee, which includes Samuel Gompers and Charles M. Schwab, was announced. Mr. Błackhouse said he was compelled to return assis on business. James A. Campbell of Youngstown, Ohlo, was named as his successor.

Emergency measures for the reliet of unemployment adopted by the conference were said to be in operation in all parts of the country. Cooperation of the railroads in making effective the conference's recommendations was understood to have been tendered by a number of railway executives in conference to-day with Secretary Hoover. The executives were understood to have been tendered by a many as possible on maintenance to alu in meeting the general situation.

Among the executives at the conference were Howard Elliott of the Northern Pacific, R. S. Lovett of the Union Pacific, Julius Kruttschnitt of the Southern Pacific, Alfred H. Smith of the New York Central, Samuel Rea of the Pennsylvania, C. H. Markham of the Illinots Central and T. De Witt Cuyler, president of the Association of Rallway Executives.

NEWS AGENCY EXONERATED. Accused of Getting Stoles Gover

Boston, Oct. 7.—James J. Bosdan, proprietor of a news agency in this city, was found not guilty by a jury in the Federal Court to-day of receiving stolen Government confidential docu-

Jones Act to Become Effective gasolene ran through the boat. They for Upbuilding of the tried to make repairs and could not. From 6 to 8 P. M. they signalled the Merchant Marine.

RATE WAR TO BE STARTED

U. S. Board to Fight for Share of Egyptian Cotton Trade; ressel, all lighted, passed. They signalled cessfully again. Then two anchors Shepherd Comptroller.

Special Despatch to THE New York Heral New York Herald Bureau. | Washington. D. C., Oct. 7. | President Harding and members of h "Just at daybreak we sighted two parently a tramp, was on our right, and the other, a passenger, on the left. Each was about a mile and a quarter away. Two of us who had removed our shirts waved them, but we could get no answer. We continued signalling for nearly an hour, alternating between that and working the pump to keep the water out of the boat. Soon these

the water out of the boat. Soon these

sela against British salps in the Egyptian cotton carrying trade from Alexandria. He outlined in detail the position of the Shipping Board and announced a sharp cut in rates. His statement said British interests had engaged in a secret agreement to the disadvantage of American ships.

President Harding made it known today that he regarded the shipping situation as the most important constructive problem before the Administration. It was indicated that every effort will be made to make the Jones act effective.

Wood Ship Builders Appeal.

This means that the recommendations of the Shipping Board for putting into

"Half an hour later the Nantucket, which was making for Philadelphia, came along and got our signal. We kept signalling, however, until she had putiled to within 100 yards of our boat. The captain had a line lowered and we were hauted aboard. We had not eaten since leaving home the morning before and had only a half gallon of water on the boat."

Capt. Randall is 42 years old and lives with his wife at 6 Thirty-third street, Whitestone, L. I. He was born in Brookhaven, L. I., and has been a scafaring man for nearly twenty years. From December, 1907, to June, 1915, he was master of naval auxiliaries. During the war he was skipper of the transports Péwhatan and Nanserhond, commander of convoys for six months and a port captain.

He was in command of the Powhatan in January, 1920, when the vessel sprang a lesk 200 miles off Halifax. Messages of distress were sent by Capt. Randall's orders almost continuously for four days until a total of twelve vessels had come to his ald.

Action in the near future also is likely on section 28 of the act, which covers combined bills of lading and joint railroad and ship rates. Coincident with these developments it was made known that the wood ship builders will ask the Shipping Board at a hearing Tuesday, to summon to Washington Edward N. Hurley, Charles Plez, Charles M. Schwab and other former officials of the board and the Emergency Fleet Corporation to give testimony on what, if any, promises or piedges they made orally to the wooden ship builders during the war. The wooden ship men want to take up claims and cancelled contracts. They claim consideration for assurances given to them by officials who subsequently left.

saved the home of Joseph E. Major, on the outskifts of Flemington, from destruction by fire. For some time the leaving the service in 1919 he became that been trained to close doors was a colonel in the ordinance department of the army during the war. After leaving the service in 1919 he became washington representative of the Rem. by jumping against them and had be-come proficient in the work. About midnight members of the household were awakened from their slumbers by the cat jumping viciously against the stair door, which was closed. Becomington Arms Company. Recently he has been engaged in industrial reorganiza-tion for that company, the Reeves Do-mestic Utilities Company and the Spon-

Explains Cotton Contracts

stair door, which was closed. Becoming uncertain as to the cat's intention at the unusual hour of night, an investigation was made, when it was discovered the house was on fire.

The flames had started near the fire-place and were burning briskly. In a short time the fire would have been beyond control and the occupants would probably have lost their lives. As it was, the fire was confined to the kitchen. W. J. Love, vice-president of the Emergency Fleet Corporation, who has been conducting the negotiations on rates on Egyptian cotton, this afternoon gave out the following statement in ex-planation of the position taken by the

short time the fire would have been beyond control and the occupants would in the Federal Court to-day of receiving stolen Government confidential decuments.

Bosdan testified that the documents, having to do with investigations of the Department of Justice during the war, were furnished to him for publication by Feri Felix Weiss, a former agent of the department, with the knowledge of George E. Kellehor, who at that time was head of the local bureau.

short time the fire would have been beyond control and the occupants would board:

"As a result of direct negotiations with the liners' principals in England, the former offered to relinquish to American bottoms 50 per cent. of the direct sallings between Alexandria and effect sallings between Alexandria and seneral election wil be held December 6.

Premier Meighen announced to-day, ont possible for the liners to make any arrangements with regard to the in-direct traffic; that it is, cotton moving to a present of the former offered to relinquish to American bottoms 50 per cent. of the direct sallings between Alexandria and general election wil be held December 6.

Premier Meighen announced to-day, ont possible for the liners to make any arrangements with regard to the in-direct traffic; that it is, cotton moving to a premier and the united States with transhipment at an English port, claiming that this was a

matter of negotiation between American transatiantic steamships and the Atlantic westbound conference, the agreement to run for a period of five years.

"Our reasons for declining this offer were: That the offer contemplated giving us 50 per cent. of the sailings but did not guarantee to us 50 per cent. of the cotton, and, seeing that contracts were in existence between the British conference and the cotton shippers for the season 1921-22, and seeing further that there was an insurance disability against American steamships, we were not at all satisfied that 50 per cent. of the sailings would in any way mean to us 50 per cent. of the tonnage; we being further advised that the principal owner of one of the British lines was a very large stockholder or connected through subsidiary companies with cotton presses and gins in Alexandria; also that much of the banking necessary in connection with the movement of this valuable crop was in the hands of thaneial institutions affiliated with British institutions of a similar character."

"The existing contracts entered into for the current inovement as bottween the British conference and the association of shippers specifically provides that no cotton ference and the association of shippers specifically provides that no cotton shall more either direct to the United States in other than British bottoms.

"To have a secrepted the agreement, therefore, without a written modifica-

near the main post office. The m was being brought here from Windsor

between Windsor and Detroit and the holdup occurred as he was about to complete his last trip.

The bandits had little difficulty in obtaining the pouches, the cage wagon, on old fashioned horse drawn vehicle, being unlocked. Owing to bad weather and the late hour, the street through which McCauley was driving was virtually teserted, and the police had found an hour later no one who witnessed the holdup or could add to McCauley's description of the bandits.

Police Say He Confesses Rob-bery Tale Was & Fake.

PHILADELPHIA, Oct. 7 .- Andrew B. Detwiler, an assistant disbursing officer betwier, an assistant disbursing officer for the United States Shipping Board, who said he had been held up and robbed of \$10.000 by bandits last Tuesday, confessed to-night that he and his assistant had stolen the money themselves and hatched up the robbing story to cover their deed, according to the police.

ADMITS \$10,000 THEFT

SHIP BOARD DISBURSER

police.

A. Franklin Hooven, the assistant and Detwiler, according to the police story, used the funds to play the races.

After losing the entire amount they are alleged to have hit upon the robbery the flowers during their voyage to United States.

SOUTH AFRICA SENDS WREATH Typical Wild Flowers for Us

typical of the country's unrivalle

# B. Altman & Co.

### The Sixth Floor

(Catalogue Merchandise Department)

offers to business women whose time is limited many opportunities for intensive and economical shopping.

At all seasons of the year, and on every business day of the week, this interesting Department-actually comprising a number of Departments assembled on one floor—is amply supplied with the newest in

### Fashionable Clothes

for Women and Misses

every item being of good quality and marked at an attractive price.

Among the new Autumn merchandise now on Sale in this Department, the following will make a special appeal:

Women's Tailored Frocks of navy blue tricotine . . . . .

Overblouses of crepe de Chine, in brown. Michawk or navy blue . . . \$9.85

Petticoats of silk messaline, in taupe, navy blue or black . . . . . \$6.25

Small-brim Hats of velvet, with crown of curled ostrich, in taupe, violet or black (an 

Women's Calfskin Oxfords; a wing-tip model, in brown or black, per pair \$10.00

Women's Silk Hose with liste tops and soles; in black, white and the leading colors; per pair . . . . . \$1.75

(Sixth Floor; Thirty-fifth Street elevators)

Madison Anomie - Fifth Amenus 34th and 35th Streets

New York